

Overview of NEO Business Plan

Goals:

Academic

1) 3,000 High Quality Seats (NEO is approved to authorize up to 35 charters)

"High Quality Seats" is defined as the number of math proficient scores plus the number of reading proficient scores, as measured by all state accountability test results for students enrolled October 1st of the school year tested, as well as the number of high school graduates as measured by students graduating each year in 4, 5 or 6 year cohorts.

2) NEO Authorized Schools Exceed State Averages in Academic Proficiency (Achievement) and Growth

Operations/Compliance

1) NEO Authorized Schools in Full Compliance (no infractions)

Financial

1) NEO Authorized Schools Earn NEO Stewardship Award in Finance (no audit findings, at least a 20% reserve, required documents submitted on time, regular board financial oversight, decision making guided by fund balance policy)

Strategies:

I. Start High Quality Schools

Publicize requests for proposals

Generate HQ school leads

Oversee effective Affidavit process

Provide tech support in compliance

Monitor readiness to open

Cross train Advisors

II. Support Improvement of Operational Schools

Clarify measures, metrics and targets

Provide technical support for progress monitoring

Implement consistent, ongoing, robust evaluation

Oversee effective renewal and improvement plans

Recognize and celebrate progress "wins"

Cross train Advisors

III. Expand HQ Schools and Effective Practices

Identify effective practices

Facilitate sharing of effective practices

Oversee and monitor effective expansions

Provide technical support for effective expansions

Communicate success

Cross train Advisors

Budget:

Note: FY is from July 1- June 30	Budgeted	Projected	MAXIMUM BUDGET- To be adjusted based on school closures and/or additions to the portfolio.					
Revenue	FY15 EOY	FY15 EOY	FY16	FY17	FY18	FY19	FY20	Detail/Assumptions
Contributions/Donations/Grants								
Gen Aid Program Service Fees	\$261,596.08	262,129.12	275,000	323,400	385,000	415,800	460,000	Gen Ed Formula @ \$5,806
Number of Operational Schools	18	18	19	24	28	30	32	Growth due to new schools, transfers, and/or expansions
ADM	3,350	3,400	3,600	4,200	5,000	5,400	6000	
Total Revenue	\$261,596.08	262,129.12	275,000	323,400	385,000	415,800	460,000	
Expense								Detail/Assumptions
Employee Salary- Executive Director	\$85,000	85,000	85,000	85,000	85,000	85,000	85,000	
Add 1 FTE FY16, FY19 and FY20	0	0	50,000	50,000	50,000	100,000	150,000	New FTE position(s)
Contracted Services = 1FTE MAPES B.1-B.6 and B.8-B.9 New Charter School Decisions, Interim Accountability Decisions (new school applications, readiness to open, renewal, expansion), Contract Term/Negotiation/Execution, Performance Standards, Ongoing Oversight, Standards and Processes for Interventions/Corrective Action/Response to Complaints, Replication/Dissemination, Renewal/Termination	\$75,000	70,586.51	78,000	78,000	78,000	80,000	80,000	Assumptions 1. Add between five and fourteen operational schools between FY'16- FY'20. 2. Maintain about 1FTE position per 7 schools. 3. Additional schools will be new schools and/or transfers. 4. The ADM average is 180 per school 5. Increase high quality seats to 3,000 students by 2020. 6. This budget line includes travel time.
Other Payroll Related	\$10,000	7,790.24	20,000	20,000	20,000	20,000	20,000	Social Security, FICA, payroll
Professional Service- Board Minutes	\$1,200	800	1,200	1,200	1,200	1,200	1,200	Assumes \$100/board meeting
Professional Service- Epicenter	\$20,000	17,750	22,000	26,400	30,800	33,000	35,200	Assumes 30 operational schools by '19
MAPES B.7 Charter School Support, Development, Technical Assistance	\$10,000	2,928.47	10,000	10,000	11,000	11,000	13,000	Annual Celebration of Leadership and Learning, Technical Support
MAPES A.5 Authorizer Capacity and Skill Development	\$2,000	2,190	10,000	10,000	10,000	10,000	10,000	NACSA and MACSA Conferences, Advisor Cross Training
MAPES A.9 Authorizer Self Evaluation			3,000	3,000	3,000	8,000		NEO Annual Report and NACSA Evaluation
Membership/Dues	\$4,000	6,450	6,000	6,000	6,000	6,000	6,000	MACS, NACSA
Mileage (reimbursed)	\$4,000	6,852.76	7,600	9,120	10,640	11,400	12,160	Reimbursements
Office Supplies and Photocopying	\$1,200	1,125.08	2,000	2,000	2,000	2,000	2,000	Reimbursements including PO box
Communications (including phone)	\$10,625	3,773.89	10,000	10,000	10,000	10,000	10,000	Media Specialist, WIX-website, phone at \$52/mo, board member recruitment
Technology, Repairs and Software	\$1,000	322.13	1,000	1,000	1,000	1,000	1,000	Computer (Repair, Dropbox storage)
Insurance	\$2,500	2,445.91	3,000	3,000	3,000	3,000	3,000	
Rent and Utilities	0	0	0	0	0	0	0	Assumes ED maintains home office
Total Expenses	226,525.00	208,039.99	307,800	313,720	320,640	381,600	428,560	
Net (Revenue Less Expenses)	\$35,071.08	54,089.13	(32,800)	9680	64,360	34,200	31,440	

Summary of Financial Position	Budgeted FY15 EOY	Projected FY15 EOY	FY16	FY17	FY18	FY19	FY20	Detail/Assumptions
Total Revenues	\$261,596.08	262,129.12	275,000	323,400	385,000	415,800	460,000	<u>Assumptions</u> 1. Increase high quality seats to 3,000 in by 2020. 2. Authorize up to 35 schools by 2020 (add between five and fourteen high quality schools by 2020) 3. Add additional FTE position(s) to be filled by employee(s) and/or contracted specialist(s) at a position allocation of between \$40,000 and \$50,00 in year one and in years four and five. 4. Maintain a minimum of about a 30% fund balance reserve. 5. MDE approval of a maximum of up to 35 schools to allow for up to 32 operational schools and 3 new school applicants through 2020. 6. NEO does not apply the authorizer fee to pre-operational schools in first year.
Total Expenditures	\$226,525.00	208,039.99	307,800	313,720	320,640	381,600	428,560	
Total Net Income/Loss	\$35,071.08	54,089.13	(32,800)	9,680	64,360	34,200	31,440	
Prior EOY Balance	\$90,000.00	90,000	144,089	111,289	120,969	185,329	219,529	
Ending Fund Balance Dollar Amount	\$125,071.08	144,089.13	111,289	120,969	185,329	219,529	250,969	
Ending Fund Balance Percent	55%	69%	36%	39%	58%	58%	59%	

Important Note: The business plan and budget may be revised as assumptions and other conditions change.